ORIGINAL OPEN MEETING AGENDA ITEM



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|----------|--|----------------|--------------------------------------|--|--|
| 1 | Court S. Rich AZ Bar No. 021290 RECEIVED Rose Law Group pc 6613 N. Scottsdale Road, Suite 200 2011 NOV 30 P 3: 08 | | | | |
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| 3 | Scottsdale, Arizona 85250 | | | | |
| 4 | Direct: (480) 505-3937 Fax: (480) 505-3925 | AZ CUK DOCK | P COMMISSION ET CONTROL | | |
| 5 | Attorney for SolarCity Corporation | | | | |
| 6 | BEFORE THE ARI | IZONA (| CORPORATION (| COMMISSION | |
| 7 | | | D. KENNEDY | PAUL NEWMAN | |
| 8 | CHAIRMAN | COMM | ISSIONER | COMMISSIONER | |
| 9 | BRENDA BURNS COMMISSIONER | | BOB STUMP COMMISSIONER | | |
| 10 11 | | | | | |
| 12 | IN THE MATTER OF THE | , |) | | |
| 13 | APPLICATION OF TUCSON ELECTRIC POWER COMPANY | Y. |) DOCKET NO. E-01933A-11-0269 | | |
| 14 | FOR APPROVAL OF ITS 2012 RENEWABLE ENERGY STANI | APD : |) | | |
| 15 | IMPLEMENTATION PLAN AN | |) SOLARCITY'S | | |
| 1.6 | DISTRIBUTED ENERGY ADMINISTRATIVE PLAN AND | ; |) AMENDMENT) RECOMMEND | | |
| 17 | REQUEST FOR RESET OF RENEWABLE ENERGY ADJUS | TOR : |) | | |
| 18 | REAL WARDE BARRIES | <u> </u> | ; | | |
| 19 | SolarCity Corporation ("Sola | rCity"), ł | y and through its u | ndersigned counsel, hereby files | |
| 20 | its Proposed Amendments to Staff's Recommended Order issued in the above referenced matter. | | | | |
| 21 | RESPECTFULLY SUBMIT | ГТЕD th | is 30 th | mber, 2011. | |
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| 23 | | | C IS DIS | <u> </u> | |
| 24 | | | Court S. Rich Rose Law Gr | oup pc | |
| 25 | | | | tsdale Road, Suite 200 rizona 85250 | |
| 26 | Arizona Corporation Commission DOCKETED | | | SolarCity Corporation | |
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Original plus 13 copies of the foregoing filed this Whay of November 2011:

Docket Control Arizona Corporation Commission 1200 W. Washington Street Phoenix, Arizona 85007

I hereby certify that I have this day served the foregoing documents on all parties of record in this proceeding by sending a copy via electronic mail to:

| Lyn Farmer |
|--------------------------------|
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| Arizona Corporation Commission |
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Introduction

This filing is a supplement to SolarCity's Comments and Exceptions in Response to Staff's Recommended Order (the "Exceptions") docketed in this matter on November 4, 2011. After further analysis of the Staff's Recommended Order (the "RO"), discussions with stakeholders, and additional review, SolarCity has made some modifications to the Amendments it seeks to the RO. The attached proposed Amendments to the RO are intended to supersede and clarify SolarCity's previously filed Exceptions.

I. The Amendments

SolarCity proposes two Amendments to the RO. Each of these Amendments and the reasons why they are needed was described in more detail in the Exceptions. The Amendments are each attached as Exhibits hereto and are titled as follows:

Exhibit A: "Amendment to standardize timing of system owner reporting for residential systems."

Exhibit B: "Amendment to retain 50% cap on incentive payments for residential DG systems."

EXHIBIT A

Amendment to standardize timing of system owner reporting for residential systems

We find TEP's current process of requiring the identification of the owner of a residential solar system at the time of the application for the rebate reservation to be out of line with more efficient processes currently in place in Arizona Public Service's territory. Instead, the final system owner should be identified once the completion certificate is submitted to the utility. Requiring the system owner to be identified at the time of application causes inefficiencies and complications for the very popular residential leasing model and we seek to remove these inefficiencies. We believe that TEP should not require the identification of the final system owner until a completion certificate is submitted. Until that time, the application will be in the name of the homeowner.

AMENDMENT

Page 37, Line 28;

INSERT new Ordering Paragraph following the final Ordering Paragraph on the page as follows:

"IT IS FURTHER ORDERED that Tucson Electric Power shall not require that a final owner be identified for a system until such time as a completion certificate is submitted."

EXHIBIT B

Amendment to retain 50% cap on incentive payments for residential DG systems

The downward trend in residential upfront incentives since the program's inception has been significant. Incentives are now 75% lower than they were when the program opened in 2009. As a result of the already reduced incentives, we believe that the current 50% cap on incentives is sufficient to protect ratepayers.

AMENDMENT

Page 32, Line 28;

DELETE the number "40" and INSERT the number "50"